



Maryland Higher Education Commission Aid to Community Colleges

Presentation to the Senate Budget and Taxation
Subcommittee on Education, Business & Administration

February 15, 2005

Maryland Higher Education Commission

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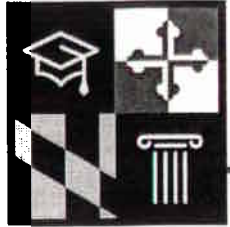


Maryland Community Colleges

- 16 community colleges in Maryland serving 23 counties and Baltimore City
- Emphasis on community centered programs
- Provide open access to persons with a variety of educational backgrounds
- Offer a flexible, lower cost higher education alternative to accommodate the needs of a wide variety of students
- Provide training and re-training services to business and industry

Community Colleges in Maryland

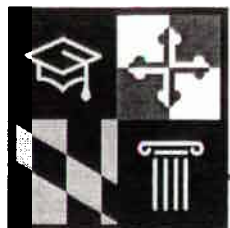
Community Colleges	Campuses	Counties Served
Allegany College of Maryland	Allegany	Allegany
Anne Arundel Community College	Anne Arundel	Anne Arundel
Baltimore City Community College	Baltimore City	Baltimore City
Carroll Community College	Carroll	Carroll
Cecil Community College	Cecil	Cecil
Chesapeake College	Chesapeake	Caroline Dorchester Kent Queen Anne's Talbot
College of Southern Maryland	Charles, LaPlatta Calvert St. Mary's	Charles Calvert St. Mary's
Community College of Baltimore County	Catonsville Dundalk Essex	Baltimore
Frederick Community College	Frederick	Frederick
Garrett Community College	Garrett	Garrett
Hagerstown Community College	Hagerstown	Hagerstown
Harford Community College	Harford	Harford
Howard Community College	Howard	Howard
Montgomery College	Germantown Rockville Takoma Park	Montgomery
Prince George's Community College	Prince George's	Prince George's
Wor-Wic Community College	Wor-Wic	Somerset Wicomico Worcester
Total Community Colleges	16	



Aid to Community Colleges

FY 2006 General Fund: \$191.7 million

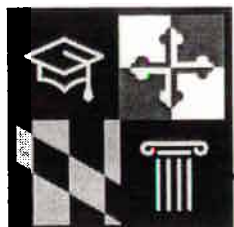
- State Aid through the Cade Formula: \$154.1 million.
- Statewide and Regional Programs: \$4.3 million.
 - Allows out-of-county residents participate in eligible programs at in-county rates.
- Retirement/Fringe benefits: \$25.5 million.
- English for Speakers of Other Languages (ESOL): \$2.5 million.
 - Covers cost of instruction and services to students enrolled in ESOL Programs.



Aid to Community Colleges FY 2006 General Fund (Continued)

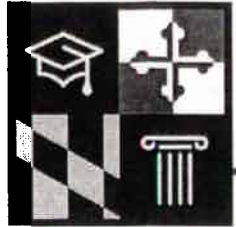
- Garrett/West Virginia Reciprocity Agreement: \$160,000
 - Allows West Virginia residents to attend Garrett College at in-county rates
- Unrestricted Grants: \$2.5 million
 - Provides funds to the smallest community colleges
- Somerset Reciprocity Grant: \$353,219
 - Provides 1/2 of the cost difference between in-county and out-of-county rates for students who attend Wor-Wic and Chesapeake College
- Innovative Partnership for Technology: \$1.6 million
 - Provides matching funds for technology donations
- Appalachian Mountain Community Colleges: \$600,000
 - Grants to Garrett and Allegany to assist these colleges in overcoming the unique characteristics confronted by the Appalachian region.

Note: Baltimore City Community Colleges receives State aid under a separate formula.



Senator John A. Cade Funding Formula

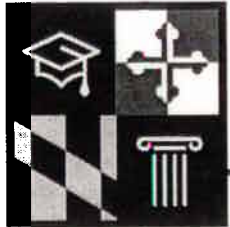
- Community colleges receive 25% of state aid per student at selected public four-year institutions
- Grant is distributed among community colleges based on the following 4 components:
 - Fixed costs - 38%: distribution based on each college's prior year appropriation of formula aid
 - Marginal costs - 60%: distribution based on FTE enrollment
 - Size factor - 2%: distributed to small-size colleges such as Allegany, Carroll, Cecil, Chesapeake, Garrett, Hagerstown, and Wor-Wic
 - Hold Harmless provision



Baltimore City Community College FY 2006 General Fund: \$32 million*

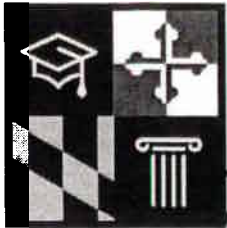
- Currently, BCCC receives 63% of state aid per student at selected public four-year institutions.
- Additional aid provided for ESOL Program.
- Grant provided for the surge space debt service.

* Reduced allowance contingent on the Budget Reconciliation Act (BRA) of 2005.



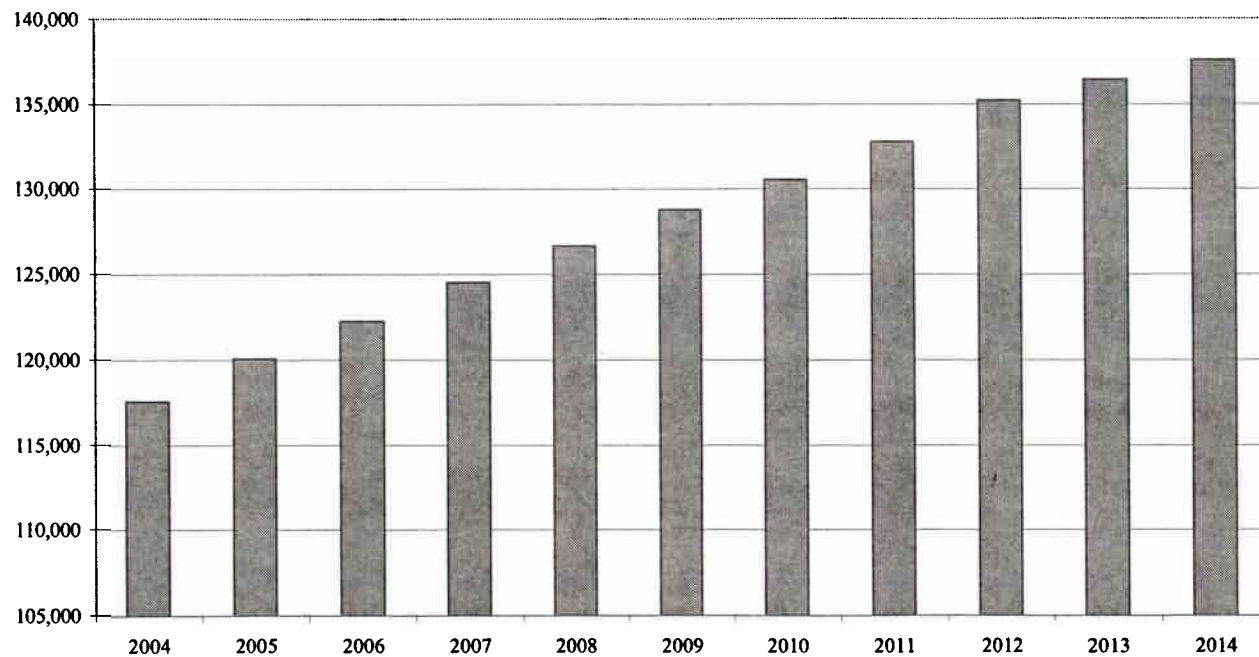
Challenges

- Ensure “open-door and open-access” for all Maryland residents.
- Ensure seamless transfer for students from 2-year colleges to 4-year baccalaureate degree programs.
- Ensure access for community college graduates at 4-year colleges and universities.



Challenges: Enrollment is projected to grow by more than 17% over the next decade

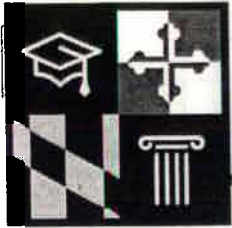
Projected Headcount Enrollment: FY 2004 to FY 2014 – Increase of 20,671 students



- Largest growth in community colleges:

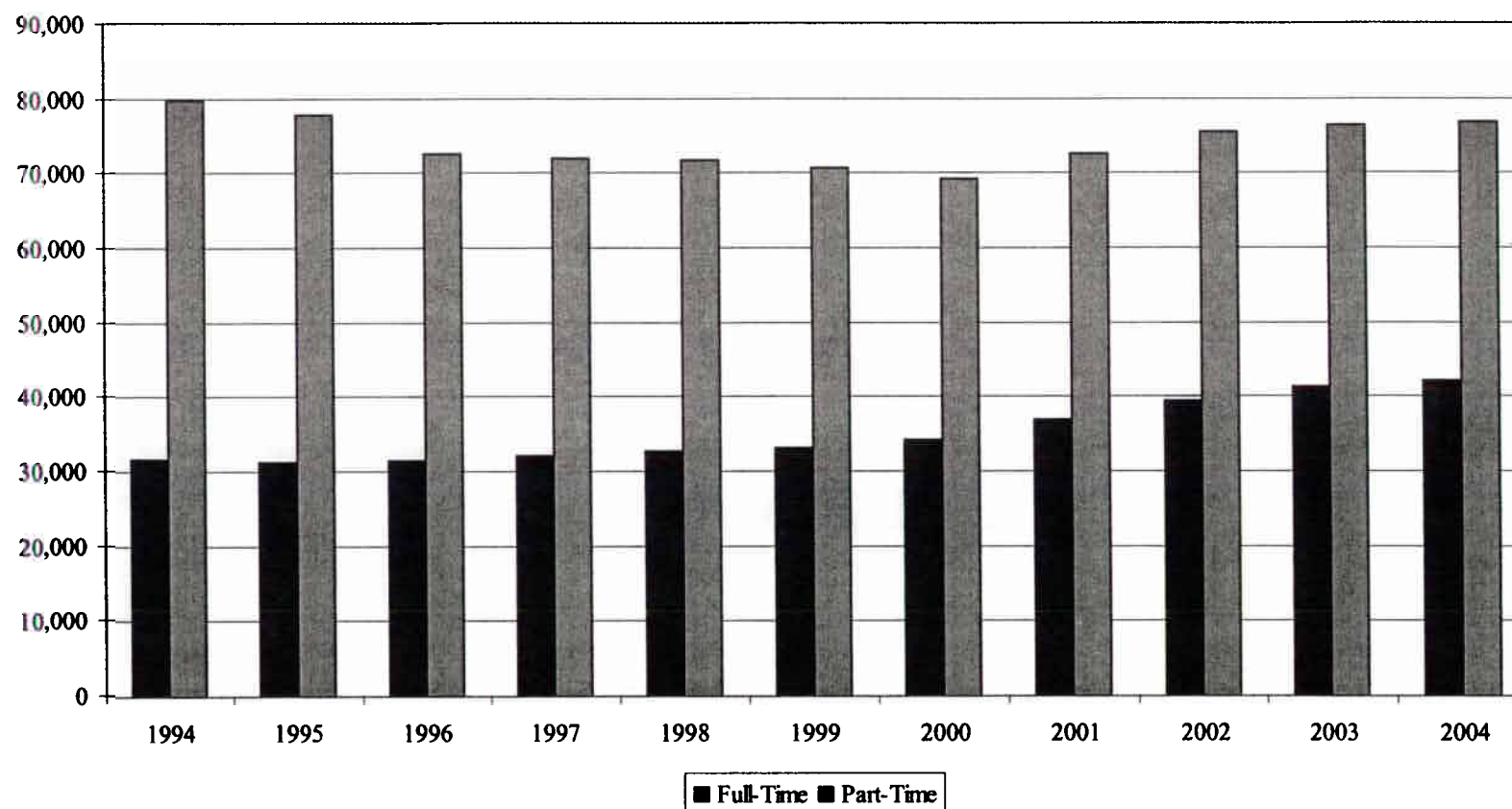
- Allegany College of Maryland: 28%
- Carroll Community College: 27%
- Hagerstown Community College: 27%

Harford Community College: 24%
Howard Community College: 27%
Wor-Wic Community College: 35%



Appendix

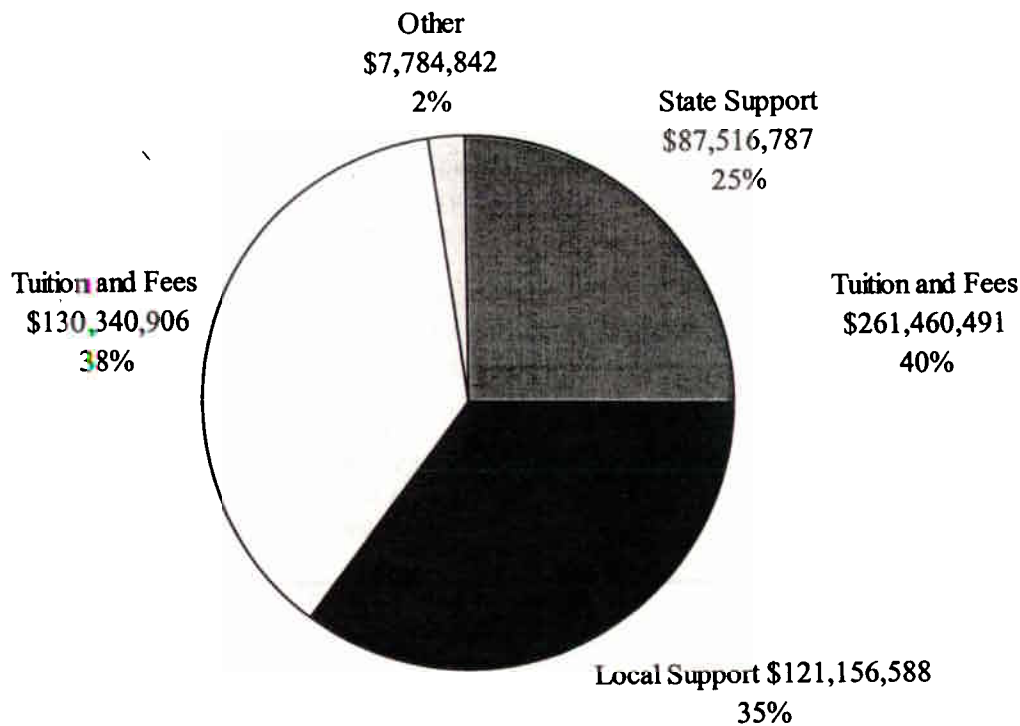
Chart A. Community College Headcount Enrollment: Fall 1994 to 2004



Community Colleges	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Full-Time	31,696	31,288	31,431	32,159	32,749	33,204	34,120	36,833	39,432	41,229	42,115
Part-Time	79,746	77,831	72,687	71,895	71,710	70,619	69,241	72,559	75,498	76,302	76,818
Total	111,442	109,119	104,118	104,054	104,459	103,823	103,361	109,392	114,930	117,531	118,933

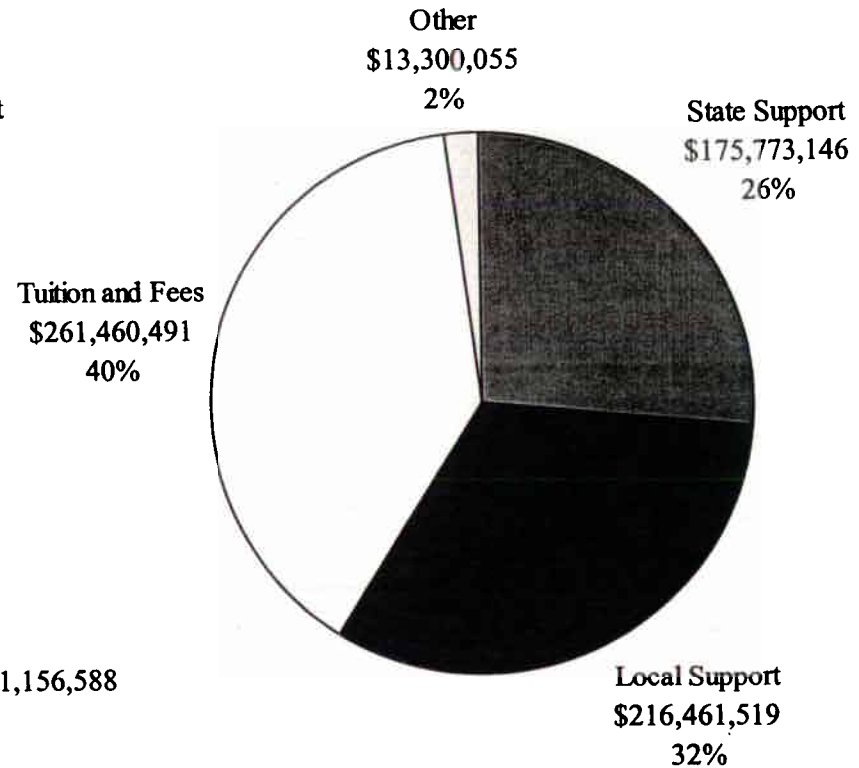
Chart B. Community Colleges Unrestricted Revenue by Source

FY 1994



Total: \$346,799,123

FY 2004



Total: \$666,995,211

Notes:

- (1) Excludes auxiliary revenues
- (2) State support for community colleges excludes State paid benefits and restricted grants
- (3) Other includes Federal support and miscellaneous

Source: Community Colleges Audited Financial Statements (CC-4 Form)

**Table I: Innovative Partnerships For Technology Donations and Eligible Match:
FY 2001 - FY 2006**

Community Colleges	FY 2001 - FY 2005				Balance Due
	Eligible Donations	State Payments	FY 2006 Allowance		
Allegany College of Maryland	\$ 550,000	\$ 333,500	\$ 66,500	\$	150,000
Anne Arundel Community College	550,000	312,131	87,869		150,000
Baltimore City Community College	400,000	342,880	57,120		-
Carroll Community College	487,252	268,626	68,626		150,000
Cecil Community College	550,000	303,287	96,713		150,000
College of Southern MD--Calvert Co./Prince Frederick	550,000	318,536	81,464		150,000
College of Southern MD--Charles Co./Waldorf/La Plata	550,000	365,740	34,260		150,000
College of Southern MD--St. Mary's Co./Leonardtwn	550,000	345,017	54,983		150,000
Chesapeake College	550,000	324,449	75,551		150,000
Community College of Baltimore Co.--Catonsville	550,000	340,606	59,394		150,000
Comm. Coll. of Baltimore Co.--Dundalk	550,000	320,910	79,090		150,000
Comm. Coll. of Baltimore Co.--Essex	550,000	339,662	60,338		150,000
Frederick Community College	400,000	302,154	97,846		-
Garrett College	478,699	304,103	95,897		78,699
Hagerstown Community College	550,000	314,540	85,460		150,000
Harford Community College	550,000	299,458	100,542		150,000
Howard Community College	550,000	299,184	100,816		150,000
Montgomery College--Germantown	550,000	348,326	51,674		150,000
Montgomery College--Rockville	550,000	342,714	57,286		150,000
Montgomery College--Takoma Park	550,000	316,534	83,466		150,000
Prince George's Community College	550,000	298,748	101,252		150,000
Wor-Wic Community College	550,000	363,767	36,233		150,000
Total	\$ 11,665,951	\$ 7,104,870	\$ 1,632,382	\$	2,928,699

Table II. Private Donation Incentive Program (PDIP) Summary

Community Colleges	Eligible Matching Maximum	Total Cash Donations Received FY 99 - FY 04	State Eligible Match	Total State Payments FY 2001-2005	Governor's Allowance FY 2006	Current Balance Due
Allegany College of Maryland	\$ 250,000	\$ 252,547	\$ 250,000	\$ 167,885	\$ 21,920	\$ 60,195
Anne Arundel Community College	250,000	350,626	250,000	65,370	49,287	135,343
Baltimore City Community College	250,000	180,478	180,478	-	56,920	123,558
Carroll Community College	250,000	250,000	250,000	60,501	50,586	138,913
Cecil Community College	250,000	292,084	250,000	20,508	61,262	168,230
Chesapeake College	250,000	250,000	250,000	44,536	54,848	150,616
Community College of Baltimore County-Catonsville	250,000	282,931	250,000	-	66,737	183,263
Community College of Baltimore County-Dundalk	250,000	248,130	248,130	15,825	62,013	170,292
Community College of Baltimore County-Essex	250,000	457,411	250,000	-	66,737	183,263
College of Southern Maryland-Calvert	250,000	250,000	250,000	76,930	45,236	127,834
College of Southern Maryland-Charles	250,000	276,758	250,000	158,335	24,470	67,195
College of Southern Maryland-St Mary's	250,000	252,614	250,000	76,930	46,201	126,869
Frederick Community College	250,000	275,246	250,000	24,271	60,258	165,471
Garrett College	250,000	250,100	250,000	-	66,737	183,263
Hagerstown Community College	250,000	690,387	250,000	128,419	32,456	89,125
Harford Community College	250,000	764,226	250,000	28,090	59,238	162,672
Howard Community College	250,000	250,038	250,000	42,845	55,300	151,855
Montgomery College-Germantown	250,000	252,766	250,000	30,682	58,547	160,771
Montgomery College-Rockville	250,000	1,647,456	250,000	250,000	-	-
Montgomery College-Takoma Park	250,000	279,948	250,000	63,717	49,728	136,555
Prince George's Community College	250,000	319,991	250,000	53,743	52,390	143,867
Wor-Wic Community College	250,000	265,390	250,000	78,071	45,896	126,033
Total	\$ 5,500,000	\$ 8,339,127	\$ 5,428,608	\$ 1,386,658	\$ 1,086,768	\$ 2,955,182

**Table III. Senator John A. Cade Funding Formula
Community College State Formula Aid: FY 2006**

Community Colleges	Actual FTES FY 2004	Fixed Cost Component 38%	Marginal Cost Component 60%	Size Factor Component 2%	FY 2006 Direct Grant	FY 2005 Total State Share	Hold Harmless Provision	ACTUAL FY 2006 Total State Share	Unrestricted Grants	FY 2006 Total State Funds
Allegany College of Maryland	1,672.88	\$ 1,414,794	\$ 1,912,373	\$ 440,408	\$ 3,767,574	\$ 3,511,934	\$ -	\$ 3,767,574	\$ 860,000	\$ 4,627,574
Anne Arundel Community College	11,691.92	8,202,060	13,365,759	-	21,567,819	20,359,924	-	21,567,819	-	21,567,819
Community College of Baltimore County	16,157.11	11,690,116	18,470,194	-	30,160,310	30,114,339	-	30,160,310	-	30,160,310
Carroll Community College	2,363.43	1,842,407	2,701,783	440,408	4,984,598	4,573,395	-	4,984,598	250,000	5,234,598
Cecil Community College	1,412.69	1,185,773	1,614,934	440,408	3,241,115	2,943,438	-	3,241,115	250,000	3,491,115
College of Southern Maryland	4,365.37	2,997,987	4,990,325	-	7,988,312	7,441,884	-	7,988,312	-	7,988,312
Chesapeake College	2,062.53	1,643,462	2,357,806	440,408	4,441,676	4,079,555	-	4,441,676	250,000	4,691,676
Frederick Community College	3,090.27	2,073,227	3,532,679	-	5,605,906	5,146,358	-	5,605,906	-	5,605,906
Garrett College	509.08	642,331	581,961	440,408	1,664,700	1,654,861	-	1,664,700	740,000	2,404,700
Hagerstown Community College	2,281.42	1,788,566	2,608,033	440,408	4,837,006	4,439,746	-	4,837,006	500,000	5,337,006
Harford Community College	4,149.33	2,958,255	4,743,356	-	7,701,612	7,343,259	-	7,701,612	-	7,701,612
Howard Community College	4,838.00	3,282,564	5,530,618	-	8,813,182	8,148,289	-	8,813,182	-	8,813,182
Montgomery College	14,058.32	10,047,827	16,070,937	-	26,118,764	24,941,659	-	26,118,764	-	26,118,764
Prince George's Community College	9,831.49	6,887,418	11,238,986	-	18,126,404	17,096,597	-	18,126,404	-	18,126,404
Wor-Wic Community College	2,419.50	1,917,442	2,765,880	440,408	5,123,730	4,759,655	-	5,123,730	250,000	5,373,730
Total	80,903.34	\$ 58,574,229	\$ 92,485,624	\$ 3,082,854	\$ 154,142,707	\$ 146,554,892	\$ -	\$ 154,142,707	\$ 3,100,000	\$ 157,242,707

**Community College Formula Calculation Summary
State Aid per FTES at Selected 4-year Public Colleges**

Budgeted appropriation (FY 2005)	\$ 611,179,350
Budgeted FTES (FY 2005)	80,196.00
FY 2006 State Aid per FTES	\$ 7,621.07

State Formula Aid per FTES at Community Colleges

FY 2006 State Aid per FTES	\$ 7,621.07
Formula Percentage	25%
Community College Aid per FTES	\$ 1,905.27

State Formula Aid for the Community Colleges

Aid per FTES	\$ 1,905.27
Projected FTES	80,903.34
Direct Grant (excluding Hold Harmless)	\$ 154,142,707

**Table IV. Maryland Higher Education Commission
Aid to Community Colleges: FY 2004 to FY 2006**

	FY 2004	FY 2005	FY 2006	FY 2005-2006
	Actual	Appropriation	Allowance	% Change
<i>Formula Aid:</i>				
Allegany College	\$ 3,392,347	\$ 3,511,934	\$ 3,767,574	7.28%
Anne Arundel Community College	19,375,740	20,359,924	21,567,819	5.93%
Community College of Baltimore County	30,114,339	30,114,339	30,160,310	0.15%
Carroll Community College	4,228,926	4,573,395	4,984,598	8.99%
Cecil Community College	2,777,347	2,943,438	3,241,115	10.11%
College of Southern Maryland	7,145,232	7,441,884	7,988,312	7.34%
Chesapeake College	3,929,353	4,079,555	4,441,676	8.88%
Frederick Community College	5,122,360	5,146,358	5,605,906	8.93%
Garrett College	1,654,861	1,654,861	1,664,700	0.59%
Hagerstown Community College	4,214,614	4,439,746	4,837,006	8.95%
Harford Community College	6,932,420	7,343,259	7,701,612	4.88%
Howard Community College	7,679,577	8,148,289	8,813,182	8.16%
Montgomery College	24,935,343	24,941,659	26,118,764	4.72%
Prince George's Community College	16,789,048	17,096,597	18,126,404	6.02%
Wor-Wic Community College	4,409,583	4,759,655	5,123,730	7.65%
Total Cade Funding Formula Aid	\$ 142,701,090	\$ 146,554,893	\$ 154,142,707	5.18%
<i>Grants:</i>				
Small Community College/Appalachian Grants	3,100,000	3,100,000	3,100,000	0.00%
Statewide and Health Manpower	2,693,711	4,286,571	4,310,000	0.55%
Garrett/WVa Reciprocity Grant	131,118	163,214	160,000	-1.97%
ESOL Grants	2,343,100	2,500,000	2,500,000	0.00%
Somerset Grant	169,997	520,602	353,219	-32.15%
Innovative Partnership	-	1,632,382	1,632,382	0.00%
Total Grants	\$ 8,437,926	\$ 12,202,769	\$ 12,055,601	-1.21%
Subtotal Cade and Grants	\$ 151,139,016	\$ 158,757,662	\$ 166,198,308	4.69%
<i>Fringe Benefits:</i>				
Optional Retirement	8,565,605	9,243,720	9,720,000	5.15%
Teachers Retirement	15,234,305	16,045,733	15,743,564	-1.88%
Total Fringe Benefits	\$ 23,799,910	\$ 25,289,453	\$ 25,463,564	0.69%
Total State Aid	\$ 174,938,926	\$ 184,047,115	\$ 191,661,872	4.14%

Notes: Excludes Baltimore City Community College.

Sources: Maryland State FY 2006 Operating Budget Books; HB 148/SB 153 - Budget Reconciliation Act of 2005; Department of Budget and Management; Maryland Higher Education Commission.

**Table V. Maryland Community Colleges Headcount Enrollment
By Race and Gender: Fall 2004**

	Total Enrollment	African American	Asian	Hispanic	Women
Allegany College of Maryland	3,631	5.2%	0.4%	0.7%	67.4%
Anne Arundel Community College	14,290	11.9%	2.9%	2.3%	62.2%
Baltimore City Community College	7,299	81.1%	1.5%	1.3%	73.1%
Carroll Community College	3,012	2.7%	1.6%	1.0%	63.3%
Cecil Community College	1,797	7.1%	1.8%	1.3%	66.6%
Chesapeake College	2,489	17.7%	1.4%	1.4%	69.1%
College of Southern Maryland	7,367	17.9%	2.8%	2.5%	65.7%
Community College of Baltimore County	20,025	28.2%	4.7%	1.9%	63.3%
Frederick Community College	4,736	7.4%	2.4%	2.4%	62.9%
Garrett College	614	5.7%	0.3%	0.7%	55.2%
Hagerstown Community College	3,207	5.9%	1.2%	2.0%	60.8%
Harford Community College	5,387	10.4%	2.3%	2.7%	62.4%
Howard Community College	6,435	19.0%	7.6%	3.5%	60.1%
Montgomery College	21,671	25.3%	13.5%	13.1%	56.4%
Prince George's Community College	12,564	76.4%	4.0%	3.4%	66.1%
Wor-Wic Community College	3,007	22.7%	1.4%	1.4%	68.8%
Total	117,531	27.8%	5.2%	3.9%	61.4%

Source: Maryland Higher Education Commission Enrollment Information System

**Table VI. Tuition and Mandatory Fees at Maryland Community Colleges
Service Area Residents: FY 2000-2005**

Community Colleges	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	% Change FY 04-05
Allegany	\$ 2,660	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,734	0.51%
Anne Arundel	1,860	1,930	1,930	1,950	2,110	2,660	26.07%
Baltimore City	1,904	1,983	1,920	2,010	2,190	2,260	3.20%
Baltimore County	2,116	2,117	2,357	2,438	2,618	2,926	11.76%
Carroll	2,475	2,544	2,648	2,786	2,889	3,096	7.17%
Cecil	1,975	2,010	2,190	2,400	2,550	2,730	7.06%
Chesapeake	2,080	2,250	2,250	2,400	2,550	2,730	7.06%
College of Southern Maryland	2,520	2,628	2,700	2,910	3,096	3,210	3.68%
Frederick	2,368	2,717	2,507	2,616	2,722	2,820	3.60%
Garrett	2,410	2,470	2,610	2,640	2,790	2,790	0.00%
Hagerstown	2,280	2,280	2,400	2,490	2,580	2,900	12.40%
Harford	1,980	1,980	2,145	2,145	2,475	2,490	0.61%
Howard	2,673	2,673	2,746	2,915	3,067	3,420	11.51%
Montgomery	2,586	2,712	2,874	3,054	3,336	3,564	6.83%
Prince George's	3,010	2,980	2,980	3,060	3,300	3,590	8.79%
Wor-Wic	1,734	1,770	1,824	1,914	2,096	2,156	2.86%
Average	\$ 2,289	\$ 2,360	\$ 2,425	\$ 2,528	\$ 2,693	\$ 2,880	6.93%

Source: Maryland Association of Community Colleges

Table VII. Four-Year Graduation Rates for Community Colleges: 1991 - 1999 Cohort

Cohort	All Students			African-American Students			Hispanic Students		
	Transferred	Graduated	Combined	Transferred	Graduated	Combined	Transferred	Graduated	Combined
1991	25.3%	9.9%	35.2%	15.4%	4.4%	19.8%	22.6%	6.7%	29.3%
1992	24.5%	9.1%	33.6%	13.8%	4.8%	18.6%	26.5%	4.0%	30.5%
1993	24.2%	9.3%	33.5%	15.0%	4.1%	19.1%	24.6%	3.7%	28.3%
1994	23.6%	8.6%	32.2%	15.4%	3.3%	18.7%	20.6%	4.0%	24.6%
1995	24.4%	8.7%	33.1%	15.4%	2.9%	18.3%	21.1%	4.0%	25.1%
1996	23.9%	8.2%	32.1%	15.2%	3.4%	18.6%	17.1%	3.5%	20.6%
1997	23.8%	8.5%	32.3%	14.9%	2.8%	17.7%	21.8%	5.0%	26.8%
1998	22.9%	8.2%	31.1%	15.2%	3.3%	18.5%	19.4%	2.4%	21.8%
1999	23.6%	8.6%	32.2%	16.0%	3.2%	19.2%	20.9%	5.1%	26.0%

Source: Maryland Higher Education Commission Enrollment Information System

Table VIII. Distribution of Student Financial Aid: FY 2004

	Total Program		Community Colleges		% of Amount Awarded
	Recipients	Appropriation	Recipients	Amount	
Guaranteed Access Grant	1,071	\$ 7,585,250	175	\$ 254,050	3%
Educational Assistance Grant	20,201	35,360,517	4,061	2,633,217	7%
Campus-Based Educational Assistance Grant	1,686	1,968,985	1,073	732,137	37%
Part-Time Grant	3,195	1,343,529	2,575	1,020,964	76%
Graduate and Professional	224	241,284	-	-	0%
Senatorial	6,909	6,343,350	1,520	1,144,400	18%
Delegate	3,897	2,844,080	738	431,254	15%
Distinguished Scholar	1,322	3,888,000	22	48,000	1%
Distinguished Scholar - Teacher	37	109,500	2	4,500	4%
Child Care Provider	65	73,500	35	22,000	30%
Christa McAuliffe Teacher	64	511,829	-	-	0%
Developmental Disabilities and Mental Health	443	758,469	113	105,930	14%
HOPE	685	1,905,000	57	52,500	3%
HOPE Scholarship - Science and Technology	980	2,818,500	28	25,000	1%
HOPE Scholarship - Teacher	2,401	10,727,500	115	179,000	2%
HOPE Community College Transfer	82	223,500	-	-	-
Loan Assistance Repayment Program	139	401,094	-	-	-
Loan Assistance Repayment Program - Dent Care	10	329,990	-	-	-
Loan Assistance Repayment Program - PCS	23	834,000	-	-	-
Nursing Scholarship	400	1,066,371	207	409,006	38%
Occupational & Physical Therapy	9	16,000	4	6,000	38%
Reimbursement of Firemen	127	222,141	67	67,640	30%
Tolbert	813	243,900	-	-	-
Conroy Memorial	68	293,270	21	43,052	15%
Total	44,851	\$ 80,109,559	10,813	\$ 7,178,650	9%

